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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

January 13, 2016

CERTIFIED RETURN RECEIPT
7013 2250 0000 2309 2839

Lon Thomas
Star Stone Quarries, Inc.
4040 South 300 West
Salt Lake City, Utah 84107

Subject: Division Directive Evaluation of Reclamation Surety, Star Stone Quarries, Heber Quarry Mine, M/051/0001, Wasatch County, Utah

Dear Mr. Thomas:

The last reclamation cost estimate for the Heber Quarry mine was completed in 2011 and escalated to 2016, with a bond escalation date of January 12, 2016. The reclamation surety amount is now due for review and adjustment. The Division of Oil, Gas and Mining may adjust the amount of reclamation surety as the result of a periodic review taking into account inflation/deflation based on an acceptable cost index (R647-4-113.6).

To properly calculate the reclamation cost estimate, the Notice of Intention to Commence Large Mining Operations (LMO) needs to be up to date to ensure it is adequate and reflects the current operating conditions. Any necessary changes should be addressed by submitting an amendment to the LMO using form MR-REV (LMO).

The permit fee was not paid in 2015. **Please provide the permit fees by January 31, 2016.**

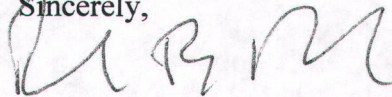
In addition the Division has developed worksheets to assist both the Division and mine operators to calculate the reclamation cost using standard unit costs. These are available on the Division's web site at www.ogm.utah.gov. Please complete these forms and return a copy to the Division for review. Once the forms have been reviewed, the Division will ask that you adjust the amount of surety to reflect the current reclamation cost estimate. **Please submit the reclamation cost estimate as an amendment to the LMO by February 16, 2016 along with the response to the May 14, 2013 review.**



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Please contact Leslie Heppler at 801-538-5257 for the LMO update, Wayne Western at 801-538-5263 for the bond update, or me at 801-538-5261 if you have questions regarding this letter. In reply please refer to file number M/051/0001.

Sincerely,

A handwritten signature in black ink, appearing to read 'P. B. Baker', written in a cursive style.

Paul B. Baker
Mining Program Manager

PBB: mt: pb
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